

**ORDINANCE BY
FINANCE/EXECUTIVE COMMITTEE**

AN ORDINANCE AUTHORIZING THE CHIEF FINANCIAL OFFICER TO ASSESS CREDIT CARD AND ON-LINE PAYMENT USERS A CONVENIENCE FEE IN THE AMOUNT OF FOUR DOLLARS AND FIFTY CENTS (\$4.50) FOR PAYMENT OF ASSOCIATED USER FEES AND A CONVENIENCE FEE IN THE AMOUNT OF 2.5% FOR TAXES TO RECOVER THE COST THE CITY PAYS TO THIRD-PARTY VENDORS TO PROCESS SUCH PAYMENTS; COLLECTED FUNDS WILL BE DEPOSITED INTO THE FOLLOWING FUND ACCOUNT CENTER NUMBERS 1A01 (GENERAL FUND) 641307 (CREDIT CARD) B00001 (CONVENIENCE FEE), 2J01(WATER AND WASTEWATER) 641307 (CREDIT CARD) B00001 (CONVENIENCE FEE), AND 1B05 (TRAFFIC COURT) 641307 (CREDIT CARD) B00001 (CONVENIENCE FEE); AND FOR OTHER PURPOSES.

WHEREAS, the City of Atlanta ("City") provides its customers with the convenience of making on-line payments utilizing their credit cards; and

WHEREAS, the City contracts with third-party vendors to validate credit card information and provide confirmation on these transactions; and

WHEREAS, the City has established a robust on-line payment program consisting of on-line payment services for parking tickets, water and wastewater charges, permit fees, excise taxes, and business licenses; and

WHEREAS, the City seeks to recover the cost of validating and authorizing customer credit cards and on-line payment services; and

WHEREAS, pursuant to Section 2-105 (a) of the City of Atlanta Code of Ordinances, the City Council shall not adopt an ordinance or resolution to establish a fee or increase the amount of an existing fee, until notice of the pending legislation is published in a newspaper of general circulation, and the appropriate standing committee of the City Council holds at least one public hearing regarding said legislation; and

WHEREAS, Visa does not allow a percentage based convenience fee for parking, water and wastewater, and permit fees but does allow a flat rate of \$4.50; and

WHEREAS, Visa and MasterCard allow a percentage-based convenience fee specifically for business tax and excise taxes; and

WHEREAS, the City currently incurs costs by paying the associated convenience fees to third-party vendors.

**THE CITY COUNCIL OF THE CITY OF ATLANTA, GEORGIA, HEREBY ORDAINS,
as follows;**

SECTION 1: That the Chief Financial Officer is hereby authorized to assess a \$4.50 customer convenience fee for each on-line credit card payment processed for parking, water and wastewater, and permit fees.

SECTION 2: That the Chief Financial Officer is hereby authorized to assess a 2.5% convenience fee for each online credit card payment processed for business tax and excise taxes that include hotel/motel, alcohol, and car taxes.

SECTION 3: Such funds shall be deposited in the fund account center number used to pay the costs associated with the acceptance of credit card payments, limited to the following Fund, Account and Center numbers: 1A01 (General Fund) 641307 (Credit card) B00001 (Convenience Fee), 2J01 (Water and Wastewater) 641307 (Credit Card) B00001 (Convenience Fee), and 1B05 (Traffic Court) 641307 (Credit Card) B00001 (Convenience Fee).

SECTION 4: That all ordinances and parts of ordinance in conflict herewith are hereby waived to the extent of the conflict.

Part II: Legislative White Paper: (This portion of the Legislative Request Form will be shared with City Council members and staff)

A. To be completed by Legislative Counsel:

Committee of Purview: Finance/ Executive

Caption:

AN ORDINANCE AUTHORIZING THE CHIEF FINANCIAL OFFICER TO ASSESS CREDIT CARD AND ON-LINE PAYMENT USERS A CONVENIENCE FEE IN THE AMOUNT OF FOUR DOLLARS AND FIFTY CENTS (\$4.50) FOR PAYMENT OF ASSOCIATED USER FEES AND A CONVENIENCE FEE IN THE AMOUNT OF 2.5% FOR TAXES TO RECOVER THE COST THE CITY PAYS TO THIRD-PARTY VENDORS TO PROCESS SUCH PAYMENTS; COLLECTED FUNDS WILL BE DEPOSITED INTO THE FOLLOWING FUND ACCOUNT CENTER NUMBERS 1A01 (GENERAL FUND) 641307 (CREDIT CARD) B00001 (CONVENIENCE FEE), 2J01(WATER AND WASTEWATER) 641307 (CREDIT CARD) B00001 (CONVENIENCE FEE), AND 1B05 (TRAFFIC COURT) 641307 (CREDIT CARD) B00001 (CONVENIENCE FEE); AND FOR OTHER PURPOSES.

Council Meeting Date: December 4, 2006

Requesting Dept.: Finance

B. To be completed by the department:

1. Please provide a summary of the purpose of this legislation (Justification Statement).

The purpose of this legislation is to obtain authorization for the Chief Financial Officer to assess credit card and Online Payment Users a Fee in the amount of \$4.50 and a Convenience Fee in the amount of 2.5% for Taxes in order to recover the cost the City pays third party vendors to process such payment. and for other purposes.

2. Please provide background information regarding this legislation.

The city provides its customers with the convenience of making online payments utilizing their credit card. The City contracts with third party vendors to validate credit card information and provide confirmation on the transactions. The City seeks to recover the cost of validating and authorizing customer credit cards and online payment services.

3. If Applicable/Known:

- (a) **Contract Type (e.g. Professional Services, Construction Agreement, etc):** Professional Services
- (b) **Source Selection:** VISA and Mastercard are the only providers of this service.
- (c) **Bids/Proposals Due:** n/a
- (d) **Invitations Issued:** n/a
- (e) **Number of Bids:** n/a
- (f) **Proposals Received:** n/a
- (g) **Bidders/Proponents:** n/a
- (h) **Term of Contract:** n/a

4. Fund Account Center: n/a

5. Source of Funds: n/a

6. Fiscal Impact: COLLECTED FUNDS WILL BE DEPOSITED INTO THE FOLLOWING FUND ACCOUNT CENTER NUMBERS 1A01 (GENERAL FUND) 641307 (CREDIT CARD) B00001 (CONVENIENCE FEE), 2J01(WATER AND WASTEWATER) 641307 (CREDIT CARD) B00001 (CONVENIENCE FEE), AND 1B05 (TRAFFIC COURT) 641307 (CREDIT CARD) B00001 (CONVENIENCE FEE)

7. Method of Cost Recovery: cost borne by user rather than the City.

This Legislative Request Form Was Prepared By: Margaret A. Crenshaw

TRANSMITTAL FORM FOR LEGISLATION

TO: MAYOR'S OFFICE

ATTN: GREG PRIDGEON

Legislative Counsel (Signature): Simone D. Brathwaite 

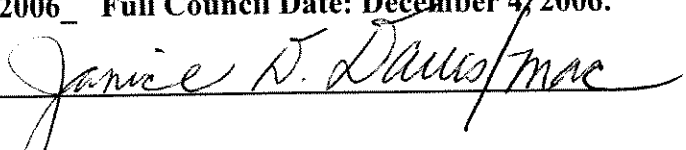
Contact Number: x 6310

Originating Department: Department Finance

Committee(s) of Purview: Finance/ Executive

Council Deadline: November 13, 2006

Committee Meeting Date(s): November 28-29, 2006 Full Council Date: December 4, 2006.


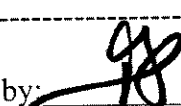
Commissioner Signature GK Gray Donelson Janice N. Davis/mac 

CAPTION

AN ORDINANCE AUTHORIZING THE CHIEF FINANCIAL OFFICER TO ASSESS CREDIT CARD AND ON-LINE PAYMENT USERS A CONVENIENCE FEE IN THE AMOUNT OF FOUR DOLLARS AND FIFTY CENTS (\$4.50) FOR PAYMENT OF ASSOCIATED USER FEES AND A CONVENIENCE FEE IN THE AMOUNT OF 2.5% FOR TAXES TO RECOVER THE COST THE CITY PAYS TO THIRD-PARTY VENDORS TO PROCESS SUCH PAYMENTS; COLLECTED FUNDS WILL BE DEPOSITED INTO THE FOLLOWING FUND ACCOUNT CENTER NUMBERS 1A01 (GENERAL FUND) 641307 (CREDIT CARD) B00001 (CONVENIENCE FEE), 2J01(WATER AND WASTEWATER) 641307 (CREDIT CARD) B00001 (CONVENIENCE FEE), AND 1B05 (TRAFFIC COURT) 641307 (CREDIT CARD) B00001 (CONVENIENCE FEE); AND FOR OTHER PURPOSES.

FINANCIAL IMPACT: \$4.50 and 2.5% in customer convenience fees for each online credit card payment processed.

Mayor's Staff Only

Received by Mayor's Office: 11/14/06  (date) Reviewed by:  (date)
Submitted to Council: 11/17/06 (date)